

CONTRACT #4
RFS # 318.66-033

**Department of Finance &
Administration/Bureau
of TennCare**

VENDOR:
VHP Care, Inc.

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

RFS #	318.66-033		
STATE AGENCY NAME :	Department of Finance and Administration, Bureau of TennCare		
SERVICE CAPTION :	Managed Care Organization Services/Medically Necessary Health Care Services to the TennCare/Medicaid Population		
CONTRACT #	FA-02-14864-00	PROPOSED AMENDMENT #	7
CONTRACTOR :	VHP Care, Inc.		
CONTRACT START DATE :	July 1, 2001		
CURRENT, LATEST POSSIBLE END DATE : (including ALL options to extend)	12/31/2006		
CURRENT MAXIMUM LIABILITY :	\$346,710,139.48		
LATEST POSSIBLE END DATE <u>WITH</u> PROPOSED AMENDMENT : (including ALL options to extend)	12/31/2006		
TOTAL MAXIMUM COST <u>WITH</u> PROPOSED AMENDMENT : (including ALL options to extend)	\$346,710,139.48		
APPROVAL CRITERIA : (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service		
ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)			
(1) description of the proposed additional service and amendment effects :			
Implements the TennCare Reform language as approved by CMS and the courts; Requires NCQA accreditation; strengthens conflict of interest disclosure requirements; strengthens MCO financial requirements; lowers the administrative fee to mirror TennCare Select; as well as various other housekeeping issues involving language clarifications.			

(2) explanation of need for the proposed amendment :

Due to TennCare changes recently approved by CMS and courts, it is necessary to amend the MCO contracts to conform to changes as well as providing needed amended financial requirements and language clarifications.

(3) name and address of the proposed contractor's principal owner(s) :
(not required if proposed contractor is a state education institution)

215 Centerview Drive, Suite 300, Brentwood, TN 37027

(4) documentation of OIR endorsement of the Non-Competitive procurement request :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation :

This Contractor is currently providing a network of services for the TennCare Program. This is an amendment to current contract.

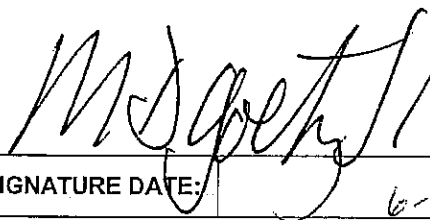
(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment :

The Bureau of TennCare is attempting to modify all of the MCO contracts to conform to recent changes in the Program. This amendment will allow continuation of services to the enrollees and further clarify their responsibilities, as well as modify financial administration requirements. TennCare would greatly appreciate the approval of this amendment by the Department of Finance and Administration.

AGENCY HEAD REQUEST SIGNATURE:

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR — signature by an authorized signatory will be accepted only in documented exigent circumstances)

SIGNATURE DATE:



6-15-05

CONTRACT SUMMARY SHEET

RFS Number:	318.66-033	Contract Number:	FA-02-14864-07
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare

Contractor:	Contract Identification Number:
VHP CARE, INC	<input type="checkbox"/> V- <input type="checkbox"/> C-

Service Description:
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Start Date:	Contract End Date:
7/1/2001	12/31/2006

Amendment Code	Position Code	Unit Code	Unit	SPIN	Plan Code	Signature Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2006	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2007	\$ 12,671,550.00	\$ 23,232,800.00			\$	35,904,350.00
Total	\$ 126,451,308.33	\$ 220,258,831.15	\$ -	\$ -	\$	346,710,139.48

GRDA:	93.778 Title XIX Dept. of Health and Human Services
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Name:	Scott Pierce
Address:	729 Church Street
Phone:	Nashville, TN (615)532-1362

Procuring Agency Budget Officer Approval Signature:
Scott Pierce

COMPLETE FOR ALL AMENDMENTS (s only)			Funding Certification	
END DATE	Base Contract / Prior Amendments	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.	
FY: 02	\$65,945,690.00			
FY: 03	\$54,656,400.00			
FY: 04	\$46,586,299.48			
FY: 05	\$71,808,700.00			
FY: 06	\$71,808,700.00			
FY: 07	\$35,904,350.00			
Total	\$346,710,139.48	\$0.00		

318.66-033

Department of Finance and Administration

FA-02-14864-06

Bureau of TennCare

VHP CARE, INC

☐ V-
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

7/1/2001.

12/31/2008

318.66	420	134	11	<input type="checkbox"/> STAR3		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (Including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,587.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2006	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2007	\$ 12,671,550.00	\$ 23,232,800.00			\$	35,904,350.00
	\$ 126,451,308.33	\$ 220,258,831.15	\$ -	\$ -	\$	346,710,139.48
	93,778					

Name: Scott Pierce
 Address: 729 Church Street
 Phone: Nashville, TN
 (615)532-1382

Scott Pierce



	12/31/2005	12/31/2008
FY: 02	\$65,945,690.00	
FY: 03	\$54,656,400.00	
FY: 04	\$46,586,299.48	
FY: 05	\$46,586,299.48	\$25,222,400.52
FY: 06	\$23,293,149.74	\$48,615,550.26
FY: 07	\$237,087,838.70	\$109,642,300.78

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

CONTRACT SUMMARY SHEET

RF# Number	318.66-033	Contract Number	FA-02-14864-05
State Agency	Department of Finance and Administration	Division	Bureau of Tenn Care

Contractor	VHP CARE, INC	Contract Identification Number	<input type="checkbox"/> V- <input type="checkbox"/> C-
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Service Description	Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population
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Contract Begin Date	7/1/2001	Contract End Date	12/31/2005
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Allocation Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$	23,293,149.74
Total	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$	237,067,838.71

CFDA#	93.778	Check the box ONLY if the answer is YES
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State Fiscal Contract	Is the Contractor a SUBRECIPIENT? (per OMB A-133)
Name: Dean Daniel	Is the Contractor a Vendor? (per OMB A-133)
Address: 729 Church Street	Is the Fiscal Year Funding STRICTLY LIMITED?
Phone: Nashville, TN	
(615)532-1362	

Procuring Agency Budget Officer Approval Signature	Is the Contractor on STARS?
Dean Daniel	Is the Contractor's FORM W-9 ATTACHED?
<i>Dean Daniel 6/22/04</i>	Is the Contractor's Form W-9 filled with Accounts?

COMPLETE FOR ALL AMENDMENTS (only)			Funding Certification
END DATE	Base Contract & Prior Amendments	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
FY: 02	12/31/2005		
FY: 03			
FY: 04			
FY: 05			
FY: 06			
Total	\$0.00	\$0.00	

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 COMPTROLLER'S OFFICE
 OFFICE OF
 MANAGEMENT SERVICES

CONTRACT SUMMARY SHEET

RF# Number	318.66-033	Contract Number	FA-02-14864-04
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor	VHP CARE, INC		
Contract Identification Number	<input type="checkbox"/> V- <input type="checkbox"/> C-		

Service Description
 Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	7/1/2001	Contract End Date	12/31/2005
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Formular Code	Cost Center	FDD#	Fund	Plan	Plan Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$	23,293,149.74
Total	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$	237,067,838.71

CHDA	93.778	Check the box only if the answer is YES
State fiscal contract		Is the Contractor a SUBRECIPIENT under OMB A-133?
Name: Dean Daniel		Is the Contractor a Vendor (per OMB A-133)?
Address: 729 Church Street		Is the Fiscal Year Ending STRICTLY LIMITED?
Phone: Nashville, TN		Is the Contractor on STARS?
(615)532-1362		Is the Contractor's FDD A-133 APPROVED?
Preparing Agency Budget Officer Approval Signature		Is the Contractor's Form W-9 Filed with Accounts?
Dean Daniel	<i>Dean Daniel 12/23/03</i>	

COMPLETE FOR ALL AMENDMENTS (only)		
END DATE	Basic Contract Prior to Amendment	This Amendment
	12/31/2005	
FY: 02	\$65,945,690.00	\$0.00
FY: 03	\$54,656,400.00	\$0.00
FY: 04	\$46,586,299.48	\$0.00
FY: 05	\$46,586,299.48	\$0.00
FY: 06	\$23,293,149.74	\$0.00
Total	\$237,067,838.71	\$0.00

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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CONTRACT SUMMARY SHEET

Contract Number	318-66-033	Contract Number	FA-02-14864-03
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor	Contract Identification Number		

VHP CARE, INC

Service Description
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date: 7/1/2001
Contract End Date: 12/31/2005

Amount Code	State Center	Object Code	Fund	Grant	Start Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$ 65,945,690.00	
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00	
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$ 46,586,299.48	
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$ 46,586,299.48	
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$ 23,293,149.74	
Total	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$ 237,067,838.71	

CFDA# 93.778

Name: Dean Daniel
Address: 729 Church Street
Phone: Nashville, TN (615)532-1362

Procure Agency Branch Office Approval Signature

Dean Daniel *Dean Daniel* 6/30/03

COMPLETION OF ALL AMENDMENTS ONLY		
END DATE	Original Contract Amount	Final Amendment
12/31/2005		
FY: 02	\$65,945,690.00	\$0.00
FY: 03	\$54,656,400.00	\$0.00
FY: 04	\$54,656,400.00	-\$8,070,100.52
FY: 05	\$54,646,400.00	-\$8,060,100.52
FY: 06	\$27,328,200.00	-\$4,035,050.26
Total	\$257,233,090.00	-\$20,165,251.29

Pursuant to T.C.A., Section 9-6-113, 1, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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Office of Contracts Review

CONTRACT SUMMARY SHEET									
RES Number					Contract Number		FA-02-14864-02		
State Agency		Department of Finance and Administration			Division		Bureau of TennCare		
Contractor					Contract Identification Number				
VHP CARE, INC					<input type="checkbox"/> V- <input type="checkbox"/> C-				
Service Description									
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population									
Contract Begin Date					Contract End Date				
7/1/01					12/31/05				
Alignment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code			
318.66	420	134	11	<input type="checkbox"/> STARS					
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)				
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$ 65,945,690.00				
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00				
2004	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00				
2005	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00				
2006	\$ 10,039,900.00	\$ 17,288,300.00			\$ 27,328,200.00				
Total	\$ 94,232,423.00	\$ 163,010,667.00	\$ -	\$ -	\$ 257,243,090.00				
CFDA Number	93.778			<input type="checkbox"/> Check the box ONLY if the answer is YES					
State Fiscal Contract				<input type="checkbox"/> Is this contract a SUPPLEMENTARY (PERMANENT)					
Name:				<input type="checkbox"/> Is the Contractor a Vendor per OMB A-133					
Address:				<input type="checkbox"/> Is this contract a funding stream only (LIMITED)					
Phone:				<input type="checkbox"/> Is the Contractor a BRS?					
Dean Daniel				<input type="checkbox"/> Is the Contractor a BIRM and a BRS?					
729 Church Street				<input type="checkbox"/> Is the Contractor a Non-Federal Agency?					
Nashville, TN									
(615)532-1362									
Producing Agency Budget Officer Approval Signature									
Dean Daniel <i>Dean Daniel</i> 7/1/02									
COMPLETE FOR ALL AMENDMENTS ONLY									
Base Contract & Prior Amendments		This Amendment ONLY		Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.					
AMOUNT									
Total		\$0.00		\$0.00					

CONTRACT SUMMARY SHEET

Contract Number		Contract Number	FA-02-14864-01
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	
VHP CARE, INC		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/01	12/31/05

Allocation Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$ 65,945,690.00	
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00	
2004	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00	
2005	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00	
2006	\$ 10,039,900.00	\$ 17,288,300.00			\$ 27,328,200.00	
Total	\$ 94,232,423.00	\$ 163,010,667.00	\$ -	\$ -	\$ 257,243,090.00	

SEDAP	93.778	Check the box only if the answer is YES
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State Fiscal Contract		Is the contractor a DBA of a state agency?
Name: Dean Daniel	729 Church Street	Is the contractor a DBA of a state agency?
Address: Nashville, TN	(615)532-1362	Is the contractor a DBA of a state agency?
Phone:		Is the contractor a DBA of a state agency?

Procuring Agency Budget Officer Approval Signature	Is the contractor on STAR?
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Dean Daniel	7/1/02	Is the contractor on STAR?
		Is the contractor on STAR?
		Is the contractor on STAR?
		Is the contractor on STAR?

COMPLETE FOR ALL AMENDMENTS (only)			Funding Information
Amendment	12/31/05	This Amendment Only	Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
FY: 02	\$65,945,690.00	\$0.00	
FY: 03	\$65,945,690.00	-\$11,289,290.00	
FY: 04	\$65,945,690.00	-\$11,289,290.00	
FY: 05	\$65,945,690.00	-\$11,289,290.00	
FY: 06	\$32,972,845.00	-\$5,644,645.00	
Total	\$296,755,605.00	-\$39,512,515.00	